Overcapacity: The 3rd hurdle

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The current 4-million-unit excess capacity in U.S. car and light-truck assembly plants will prompt the domestic industry to make extensive changes.

That overcapacity problem will not go away easily and will force the domestic automobile industry to make further operating adjustments, Harvard University Professor Malcolm S. Salter told a luncheon meeting of the Harvard Business School Club of Detroit.

Salter, faculty chairman of both the general management area and the International Senior Managers Program at the Harvard Graduate School of Business Administration, said that although the automobile industry is not unique in the number or type of challenges facing it, it is significant.

"It is a paradigm for the other global industries," Salter said, adding that the automobile industry also has high visibility.

Salter, who has influenced some of the industry's managers when they were in the classroom, said the industry is now in the third phase of its fight to regain global competitiveness.

He said the first phase was the 1980 to 1983 period following the second energy crisis when management worried about cutting costs and labor worried about job security, which led to an "immediate conflict."

The second phase was the 1983 to 1987 period of recovery. "Everybody did what they had to do," Salter said. "Everybody did what they were asked to do."

That meant management and labor developed labor agreements with new work rules, government dealt with the currency problem and suppliers cooperated with new logistical solutions.

"Even the Japanese did what they had to do," he said, citing the Voluntary Restraint Agreement and the increased investments in U.S. "transplant" operations.

The result was that in the period between 1980 and 1990, the U.S. automobile industry was able to develop 30 new platforms to improve competitiveness, Salter said.

The current third phase is marked by overcapacity, with only about 69 percent of North America's capacity being utilized. He put utilization, by segment, at: small, 57 percent; mid-sized, 77 percent; large, 69 percent; luxury, 55 percent; and sports, 50 percent.

The current situation will be exacerbated by more entries into the U.S. market — including China, Romania and Russia — with no planned market exits, he said.

Salter said he believes the current phase will be marked by the same factors that dominated the second phase, only intensified, leading to a "negotiated reconfiguration of the industry, a negotiated downsizing."

He said success will require more "pro-competitive" industry-labor and industry-government relationships.

Manufacturers will be faced with the need to unilaterally reduce capacity, he said, and the UAW will be forced to abandon industry-wide "pattern" agreements in favor of "company-specific labor relations."

Salter said government will have to "grease the wheels of change" by providing "adjustment assistance." He cited government-provided extended health care benefits as an example.

Quality, productivity, product diversity, cooperative agreements with suppliers, more joint ventures with competitors and "rapid response to consumer demand through accelerated new product cycles" will all be important factors in the current phase.

The third phase also will necessitate changes in the industry's managers. "Managers must learn to be as good politicians as they have been managers," he said.

"The new practices seem to be pro-competitive and just as important as new technology."

Salter said it will be "critical" for the industry to attract "really high potential young blood" for managers.

"The bankers are onboard, the consumers are onboard — I just want to make sure the young people are onboard," Salter said.

Smart quits Commerce in promotion dispute

WASHINGTON — Bruce Smart, the U.S. Commerce Department's undersecretary for international trade, has resigned following the withdrawal of his name as a candidate for Commerce deputy secretary.

Commerce Secretary C. William Verity had originally nominated Smart to the post, but withdrew that recommendation, citing a difference in management style. Smart presided over the auto parts-related Market Oriented — Sector Specific talks with Japan that attempted to open that market to U.S. suppliers.

U.S. CAR OUTPUT, CALENDAR 1987 vs. 1986

	Total Output 1987	Pct. of Total Output	Total Output 1986	Pct. of Total Output	Pct. Change '87 vs. '86
CHRYSLER MOTORS	1,109,411	15.64	1,337,694	17.08	−1.44
Eagle Total	15,994	0.23	49,435	0.63	−0.40
Alliance	15,994	0.23	46,088	0.59	−0.36
Encore	0	0.00	3,347	0.04	−0.04
Plymouth Total	321,595	4.53	422,618	5.40	−0.87
Horizon	45,663	0.64	171,882	2.20	−1.56
Sundance	89,578	1.26	36,855	0.47	+0.79
Reliant	136,109	1.92	151,895	1.94	−0.02
Caravelle	42,955	0.61	44,368	0.57	+0.04
Gran Fury	7,290	0.10	17,618	0.23	−0.13
Chrysler Total	357,148	5.03	368,637	4.71	+0.32
Laser	0	0.00	25,327	0.32	−0.32
LeBaron	64,089	0.90	83,163	1.06	−0.16
LeBaron J	113,858	1.60	4,043	0.05	+1.55
LeBaron GTS	37,503	0.53	69,869	0.88	−0.35
N. Yorker E-Class	57,102	0.80	64,964	0.83	−0.03
N. Yorker C-Class	18,916	0.27	0	0.00	+0.27
Fifth Avenue	65,675	0.93	122,441	1.56	−0.63
Dodge Total	414,884	5.85	498,404	6.34	−0.49
Daytona	64,054	0.90	33,097	0.42	+0.48
Omni	40,039	0.56	163,416	2.08	−1.53
Shadow	96,073	1.36	35,107	0.45	+0.91
Aries	127,948	1.81	126,311	1.61	+0.20
Dodge 600	39,773	0.56	64,083	0.82	−0.26
Lancer	25,123	0.33	47,817	0.61	−0.28
Dynasty	8,486	0.12	0	0.00	+0.12
Diplomat	15,188	0.21	28,593	0.34	−0.13
FORD MOTOR CO.	1,830,446	25.80	1,764,316	22.53	+3.27
Ford Division	1,317,787	18.57	1,221,956	15.61	+2.96
Escort	394,704	5.56	378,359	4.83	+0.73
Mustang	214,153	3.02	177,737	2.27	+0.75
Tempo	145,779	2.05	198,809	2.54	−0.49
Taurus	405,644	5.72	335,669	4.29	+1.43
Thunderbird	157,507	2.22	131,383	1.68	+0.54
L-M Division	512,659	7.23	542,360	6.93	+0.30
Mercury Total	328,509	4.63	359,325	4.59	+0.04
Lynx	21,351	0.30	60,246	0.77	−0.47
Capri	0	0.00	12,344	0.16	−0.16
Topaz	47,009	0.66	57,578	0.74	−0.08
Cougar	138,464	1.95	101,829	1.30	+0.65
Sable	121,686	1.72	127,330	1.63	+0.09
Lincoln Total	184,150	2.60	183,035	2.33	+0.27
Continental	13,595	0.19	19,628	0.25	−0.06
Lincoln	142,005	2.00	137,286	1.75	+0.25
Mark VII	28,550	0.40	26,121	0.33	+0.07
GENERAL MOTORS	3,455,483	48.70	4,124,730	52.68	−3.98
Buick Total	552,601	7.79	775,968	9.91	−2.12
Skyhawk	34,516	0.49	82,429	1.05	−0.56
Century	152,698	2.16	230,137	2.94	−0.78
Regal	40,425	0.57	60,897	0.78	−0.21
Skylark/Somerset	63,612	0.90	112,773	1.44	−0.54
LeSabre (fwd)	142,835	2.01	156,889	2.00	+0.01
LeSabre (rwd)	10,230	0.14	15,192	0.19	−0.05
Electra	94,485	1.33	91,559	1.17	+0.16
Reatta	332	0.00	0	0.00	0.00
Riviera	13,468	0.19	26,110	0.33	−0.14
Cadillac Total	275,737	3.89	319,096	4.09	−0.19
Cimarron	10,402	0.15	22,247	0.30	−0.15
Allante	4,869	0.07	53	0.00	+0.07
Brougham (rwd)	73,195	1.03	76,469	0.98	+0.05
DeVille (fwd)	145,540	2.05	171,607	2.19	−0.14
Eldorado	20,538	0.29	25,248	0.32	−0.03
Seville	21,305	0.30	22,474	0.29	+0.01
Chevrolet Total	1,372,631	19.35	1,310,710	16.74	+2.61
Chevette	0	0.00	105,489	1.35	−1.35
Camaro	121,581	1.71	172,585	2.20	−0.49
Cavalier	315,319	4.44	395,154	5.05	−0.61
Celebrity	285,111	4.02	257,993	3.29	+0.73
Corsica/Beretta	348,806	4.92	17,200	0.22	+4.70
Monte Carlo	72,749	1.03	110,049	1.41	−0.38
Caprice	200,593	2.83	223,642	2.86	−0.03
Corvette	28,514	0.40	26,410	0.34	+0.06
Oldsmobile Total	597,257	8.41	927,173	11.84	−3.43
Firenza	17,988	0.25	36,212	0.46	−0.21
Calais	113,085	1.59	120,622	1.54	+0.05
Cutlass Ciera	108,788	1.53	236,613	3.02	−1.49
Cutlass Supreme	76,751	1.08	107,096	1.37	−0.29
88 (fwd)	178,747	2.52	272,315	3.48	−0.96
88 (rwd)	10,483	0.15	19,028	0.24	−0.09
Olds 98	73,004	1.03	114,558	1.46	−0.43
Toronado	18,453	0.23	18,779	0.24	−0.01
Pontiac Total	667,235	9.26	791,785	10.11	−0.86
Acadian*	0	0.00	16,539	0.21	−0.21
Fiero	33,938	0.48	69,736	0.89	−0.41
Pontiac 1000	0	0.00	16,814	0.21	−0.21
Firebird	77,731	1.10	105,109	1.34	−0.24
Sunbird	89,485	1.26	130,187	1.63	−0.46
Grand Am	247,681	3.49	231,318	2.95	+0.54
Grand Prix	6,343	0.09	0	0.00	+0.09
Pontiac 6000	67,947	0.96	132,385	1.69	−0.73
Bonneville	125,005	1.76	39,686	0.51	+1.25
Safari/Parisienne	9,147	0.13	49,132	0.64	−0.51
HONDA	324,194	4.57	248,159	3.17	+1.40
Civic	88,445	1.25	34,348	0.44	+0.81
Accord	235,819	3.32	213,811	2.73	+0.58
MAZDA	4,200	0.06	0	0.00	+0.06
NISSAN	117,334	1.65	65,147	0.83	+0.82
MUMMI	187,379	2.64	205,854	2.63	+0.01
Corolla	43,726	0.62	14,318	0.18	+0.44
Nova	143,652	2.02	191,536	2.45	−0.43
VOLKSWAGEN	99,999	0.94	84,397	1.08	−0.14
Golf/GTI	47,157	0.66	83,247	1.06	−0.40
Jetta	19,539	0.28	1,150	0.01	+0.27
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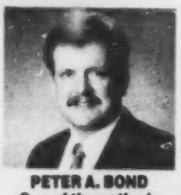

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Fort Worth Auto Auction, 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

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Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

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COMING EVENTS

General

March 6-8 — Consumer Bankers Association's Automobile Finance Conference, Opryland Hotel, Nashville, Tenn., (703) 276-1750

March 7-10 — National Design Engineering Show and Conference, McCormick Place North, Chicago, (203) 964-0000

March 8-9 — Automotive Industry Action Group Electronic Data Interchange seminar, Westin Peachtree Plaza, Atlanta, (313) 569-5262

March 9 — The Planning Forum monthly dinner meeting, Meadowbrook Country Club, Northville, Mich., (313) 244-4401

March 15-17 — DMA Group Manager Development Conference, Hilton Head, S.C., (603) 772-1000

March 16-18 — Managing International Joint Ventures, University of Michigan Business School, Ann Arbor, Mich., (313) 763-1000

March 16-18 — Robotic Industries Association meeting, Stouffer Resort, Orlando, Fla., (313) 994-6088

March 20-24 — National Computer Graphics Association Systems Integration conference and exposition, Anaheim Convention Center, Anaheim, Calif., (703) 698-9600

March 20-24 — American Car Rental Association convention, Hotel del Coronado, San Diego, (202) 223-2118

March 21-25 — MacNeal-Schwendler Corp. World Users Conference, Sheraton Universal Hotel, Los Angeles, (213) 258-9111

March 21-22 — Spring Automotive Conference, American Society of Quality Control, Novi Hilton, Novi, Mich., (313) 962-7311

March 22-23 — Tire Society Conference, University of Akron, Akron, Ohio, (216) 796-3198

March 22-23 — University of Michigan International Automotive Industry Conference, Rackham Auditorium, Ann Arbor, Mich., (313) 764-1489

March 25-27 — Specialty Equipment Market Association Auto Internacional East Automotive Show, Philadelphia Civic Center, Philadelphia, (213) 692-9402

April 9-12 — American Truck Dealers Equipment Convention and Exposition, Bally's, Reno, Nev., (703) 821-7141

April 9-13 — National Coil Coaters Association Meeting, Marriott's Rancho Las Palmas, Palm Springs, Calif., (215) 564-3484

April 11-13 — SAE International Conference on Vehicle Structural Mechanics, Westin Hotel, Detroit, (313) 649-0420

April 12-14 — Expert Systems '88 — Solutions in Manufacturing Conference and Exposition, Engineering Society of Detroit and the Society for Machine Intelligence, Cobo Hall, Detroit (313) 832-5400

April 13-14 — National Computer Graphics Association Doing Business in the Pacific Rim: Focus on Japan, U.S. Chamber of Commerce, Washington, (703) 698-9600

April 13-14 — National Van Conversion Association's Supplier Showcase, South Bend Century Center, South Bend, Ind., (317) 462-5033

April 14-15 — Society of Automotive Analysts Eastern Regional Conference, Loews Glenpointe Hotel, Teaneck, N.J., (201) 573-6510

April 17-20 — American Society of Mechanical Engineers' Manufacturing International conference, Atlanta, (800) THE-ASME

April 17-22 — American Welding Society's Convention and Welding Show, New Orleans Convention Center, New Orleans, (800) 443-9353

April 19-21 — Big E Eastern Automotive Aftermarket Show, Convention Center, Atlantic City, N.J., (317) 747-7988

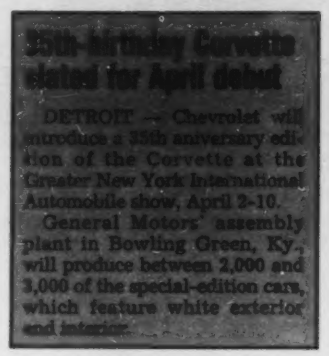
April 20-22 — Meeting the Japanese Challenge: Building Competitive Organizations, University of Michigan Business School, Ann Arbor, Mich., (313) 763-1000

April 26-28 — International Symposium on Traffic Safety Theory and Research Methods, RAI-congresscentre, Amsterdam, The Netherlands

April 26-28 — ESD/SMI Expert Systems Solutions in Manufacturing Conference and Exposition, Hyatt Regency, Dearborn, Mich., (313) 995-4440

April 28-30 — Automotive Fleet & Leasing Association, St. Francis Hotel, San Francisco, (212) 546-4073

May 2-5 — Advanced Productivity Expositions (APEX), Society of Manufacturing Engineers and American Machine Tool Distributors' Association, Convention Center, Cleveland, (313) 271-1500


35th-birthday Corvette slated for April debut
DETROIT — Chevrolet will introduce a 35th anniversary edition of the Corvette at the Greater New York International Automobile show, April 2-10.
General Motors' assembly plant in Bowling Green, Ky., will produce between 2,000 and 3,000 of the special-edition cars, which feature white exterior and interior

May 2-5 — Advanced Productivity Expositions (APEX), Society of Manufacturing Engineers and American Machine Tool Distributors' Association, Convention Center, Cleveland, (313) 271-1500

Dealer conventions

March 9-14 — Illinois New Car and Truck Dealers Association and Missouri Automobile Dealers Association, Harbor Beach Marriott, Fort Lauderdale, Fla.

April 14-16 — Arkansas Automobile Dealers Association, Hot Springs Hilton, Hot Springs, Ark., (501) 372-2596

April 14-19 — Ohio Automobile Dealers Association, The Contemporary Resort Hotel, Walt Disney World, Orlando, Fla., (614) 228-6873

April 17-19 — Texas Automobile and Truck Dealers Association, Westin Galleria, Houston, (512) 476-2686

April 17-19 — Iowa Automobile Dealers Association, Des Moines Marriott, Des Moines, Iowa, (515) 244-2245

April 17-19 — Automobile Dealers Association of North Dakota, Holiday Inn, Fargo, N.D., (701) 293-6822

April 17-22 — Arkansas Automobile Dealers Association, Hyatt Cancun Caribe, Cancun, Mexico, (501) 372-2596

April 20-23 — Kentucky Automobile Dealers Association, Marriott Griffin Gate, Lexington, Ky., (502) 695-3333

Auto shows

March 3-13 — Geneva Auto Show, Palexpo Exhibition Centre, Geneva, 41-22-98-11-11

March 4-13 — Greater Minneapolis and St. Paul Auto Show, Hubert H. Humphrey Metrodome, Minneapolis, (612) 831-8019

March 10-13 — Louisville New Car Show, Kentucky Fair and Exposition Center, Louisville, Ky.

March 10-13 — Capital District Auto Show, Empire State Plaza, Albany, N.Y., (518) 438-0584

March 16-20 — Greater Cincinnati Auto Expo, Dr. Albert B. Sabin Convention Center, Cincinnati, (513) 721-1818

March 17-20 — Tulsa Auto Show, Expo Square-Tulsa State Fairgrounds, Tulsa, Okla., (918) 493-7272

March 18-20 — Northwood Institute Auto Show, Northwood Institute's Florida Campus, West Palm Beach, Fla., (305) 478-5515

March 19-27 — Stockholm International Motor Show, Stockholm Fair, Alvsjo, Sweden, 46-08-783-8000

March 24-27 — Greater Raleigh-Durham International Auto Show, Raleigh Civic and Convention Center, Raleigh, N.C., (804) 358-2277

March 25-April 3 — Belgrade Auto and Truck Show, Belgrade, Yugoslavia

March 30-April 3 — Arizona Auto Show, Phoenix Civic Plaza, Phoenix, Ariz., (213) 444-5202

April 2-10 — Greater New York International Automobile Show, Jacob Javits Convention Center, New York, (718) 746-5900

April 6-10 — Western New England International Auto Show, Eastern States Exposition Center, Springfield, Mass.

April 14-17 — Greater Memphis Auto Show, Memphis Convention Center Complex, Memphis, Tenn., (901) 755-1530

April 20-May 1 — Turin Auto Show, Turin, Italy

May 21-25 — Taipei International Auto Show, Taipei World Trade Center Exhibition Hall, Taipei, Republic of China

AUCTION DATES

Chrysler Motors

March 8 — Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; and Riverside Auto Auction, Riverside, Calif.

March 9 — Nashville Auto Auction, Nashville, Tenn.; Southern Auto Auction, Warehouse Point, Conn.; and Columbus Fair Auto Auction, Obetz, Ohio

March 10 — Fredericksburg Auto Auction, Fredericksburg, Va.; Utah Auto Auction, West Bountiful, Utah; Omaha Auto Auction, Omaha, Neb.; and Indianapolis Auto Auction, Indianapolis

March 11 — St. Louis Auto Auction, Bridgeton, Mo.

March 15 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Portland Auto Auction, Portland, Ore.

Ford Motor Co.

March 8 — South Seattle Auto Auction, Kent, Wash.

March 9 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

March 10 — Greater Chicago Auto Auction, Chicago, and Dallas Auto Auction, Grand Prairie, Texas

March 15 — Bay Cities Auto Auction Inc., Hayward, Calif.

March 16 — Lakeland Auto Auction, Lakeland, Fla.

March 17 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Interstate Auto Auction, Mercer, Pa.; Southwest Auto Auction, Phoenix, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

March 22 — South Seattle Auto Auction, Kent, Wash.

March 23 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

March 24 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

March 29 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

March 30 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

March 31 — Greater Houston Auto Auction, Houston, and Minneapolis Auto Auction, Plymouth, Minn.

General Motors

March 8 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

March 9 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

March 10 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

March 15 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Used Car Sales
Auction Averages

February 1988	$5,309
Month ago	$4,841
Year ago	$5,711

Model Breakdown
Auction Averages

	FEB 1988	JAN 1988	DEC 1987
1988	$10,741	$8,839	
1987	$8,443	$8,435	$10,140
1986	$6,732	$6,516	$8,322
1985	$5,731	$5,501	$7,127
1984	$4,363	$4,349	$5,640
1983	$3,689	$3,362	$4,791
1982	$2,454	$2,303	$3,441
1981	$1,817	$1,926	$2,516
Overall Average	$5,309	$4,841	$5,898

U.S. model total lowest since '60

By John K. Teahen Jr.
AUTOMOTIVE NEWS STAFF REPORTER

The demise of American Motors and trims by General Motors and Ford Motor Co. reduced the number of domestic passenger-car models to the lowest total in 28 years.

The annual Automotive News tabulation finds 251 U.S.-built 1988 models on the market, down from 300 in the 1987 season. The current count is the lowest since 1960, when the domestic makers had 244 models.

The 1988 total includes 28 transplant models — cars built in the United States by foreign manufacturers. Thus, the three U.S.-based automakers are offering 223 models this year.

This year's cuts dropped the domestics far behind the imports in number of models offered. The imports have 337 vs. the domestics' 251. The import-domestic total is 588 car models for 1988.

The death of AMC wiped 19 models off the books. Chrysler Corp. kept none of the Alliance and Eagle autos manufactured by AMC. It saved only the Premier (now the Eagle Premier), which wasn't on the market last year.

GM made the biggest chop; a net reduction of 24 models. The five GM car divisions now offer 127 models, down from 151 last year.

Most of GM's activity involved the J-cars. GM sliced 16 models from the lineups of Chevrolet Cavalier, Pontiac Sunbird, Buick Skyhawk and Oldsmobile Firenza. A further slash will be made later in the model year when Firenza and Cadillac Cimarron (also a J-car) are dropped.

The Chevrolet Chevette and Pontiac 1000 subcompacts also are missing from GM's 1988 stable. So are the Cadillac limousines.

Elsewhere at GM, the Chevrolet Monte Carlo was the most notable casualty. A 1988 Monte Carlo was introduced, but production ended last December. Monte Carlo had been in the Chevrolet lineup since the 1970 model year.

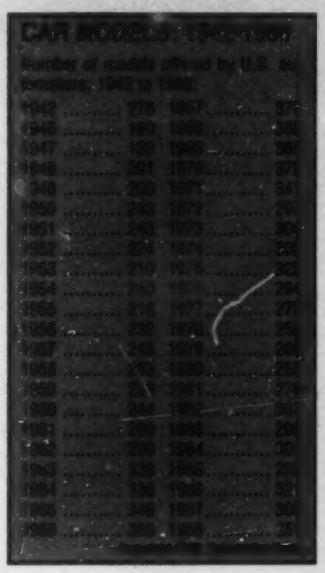
New for GM are the Buick Reatta and the front-wheel-drive GM10 cars — Buick Regal, Pontiac Grand Prix and Oldsmobile Cutlass Supreme. The GM10 cars did not increase the number of models offered; they simply replaced rwd cars of the same name that were dropped.

Ford Motor has 57 models for 1988, down from 69 a year ago. Five models disappeared when the Mercury Lynx was discontinued. Ford also erased the two-door models from the Ford Crown Victoria and Mercury Grand Marquis lines and dropped a Ford Taurus wagon and a pair of Ford Tempo two-doors.

Chrysler Motors offers 39 models for 1988, one less than in 1987. The Chrysler New Yorker, New Yorker Landau and Dodge Dynasty sedans are new and so are the Eagle Premier sedans and a LeBaron J Premium convertible.

The sporty Dodge Charger and Plymouth Turismo subcompacts were discontinued, and two models were pared from both the Dodge Aries and Plymouth Reliant lines. The Chrysler New Yorker Turbo was introduced for 1988, but production ended last fall.

The 28 transplant models counted in the domestic total consist of nine Volkswagens, seven Hondas, six Nissans, three Toyotas and three Mazdas. Mazda is a newcomer to U.S. assembly. Honda has one more U.S.-built model than it had last year, and VW has three more. VW will leave the transplant field when it closes its plant in Westmoreland, Pa., at the end of the 1988 model run.



By body styles, two-door models bore the brunt of this year's reductions. There now are 95 U.S.-built two-doors, compared with 127 last year. In this compilation, two-doors include hatchbacks, which some makers list as three-door models.

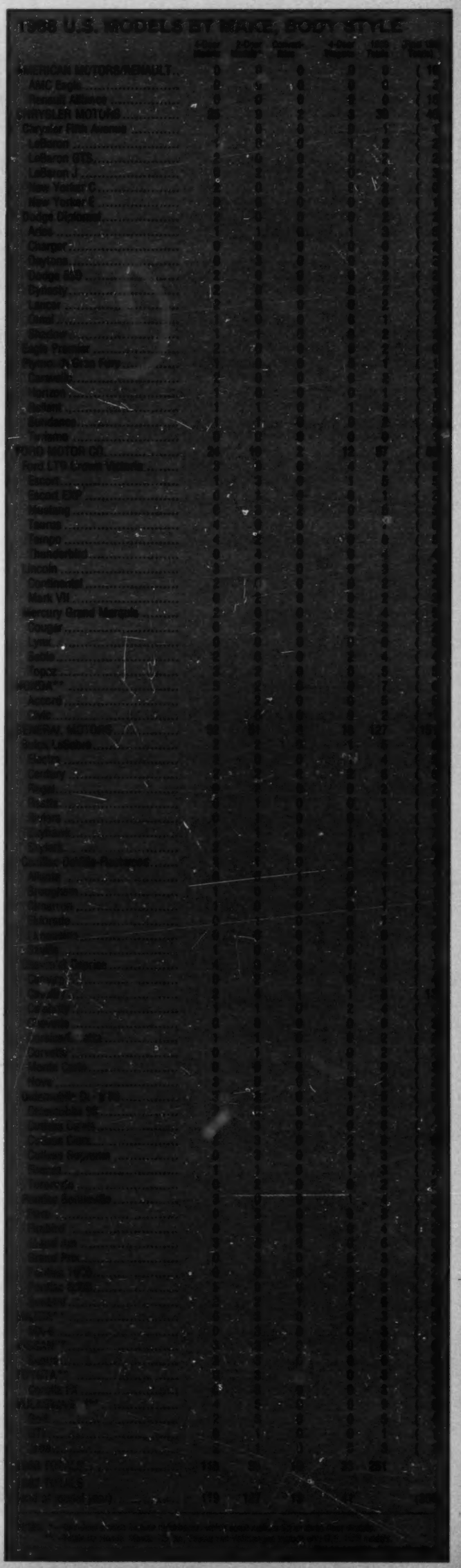
There are 113 four-door sedans, down from 119, and 10 domestic convertibles, three less than last year. Station wagons number 33, down from 41 last year.

Each of the five GM car divisions has fewer models for 1988 than for 1987. Chevrolet made the deepest trim, cutting 11 choices. Ford and Lincoln-Mercury divisions are down, and so are Dodge and Plymouth. Chrysler is the only Big 3 marque to show a year-to-year increase.

Ford, with 35, has the most models of any domestic make. Pontiac is second with 34, followed by Oldsmobile, 30; Chevrolet, 28; and Buick, 26.

In the 1987 model year, the top five were Ford, 40; Chevrolet, 39; Pontiac, 37; Oldsmobile, 33; and Buick, 31.

The Automotive News tabulation includes all models the manufacturers are pricing or merchandising individually. It does not include engine and transmission options. Vans and sport-utility vehicles are excluded from the passenger-car count.



Hearing today on UAW election

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

A court hearing on charges by the U.S. Secretary of Labor that the UAW committed fraud in a regional election will be held today in Detroit.

Meanwhile, the union's independent Public Review Board was slated Saturday to reconsider a decision it made on an issue similar to the one in the UAW Region 5 dispute. The common issue is the union's rule that a staff member take a 90-day leave of absence before running against an incumbent.

In the disputed election, incumbent Ken Worley defeated Jerry Tucker, former UAW staff member, by a fraction of a vote and retained his seat on the union's executive board.

The UAW fired Tucker for running against Worley without taking a 90-day leave. One of the three suits filed by the Labor Department charges the UAW with discharging a candidate prior to an election.

David Klein, executive director of the seven-member review board, said that the panel will reconsider its August decision against Gary Brandt, a UAW staff member who serves Cleveland-based Region 2. Brandt challenged the validity of the 90-day rule.

Klein said that the board will consider whether the rule was properly instituted by the union's executive board in accordance with the UAW constitution or whether it was adopted by an administration caucus.

The other two labor department suits charge that physical intimidation was used against Tucker supporters and that union money was used illegally to influence the Region 5 election.

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SALES

DOMESTIC CAR SALES

Acura						
Alfa Romeo						
Audi						
BMW						
Chevrolet	1,212					
Chrysler						
Colt						
Daihatsu						
Dodge						
Eagle						
Ford						
Hyundai						
Isuzu						
Jaguar						
Lincoln						
Maserati						
Mazda						
Mercedes						
Mercury						
Mitsubishi						
Nissan						
Oldsmobile						
Peugeot						
Plymouth						
Pontiac						
Porsche						
Saab						
Saturn						
Subaru						
Toyota						
Volvo						
VW						
Yugo						
TOTAL						

February deliveries rise 13.9%

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

New-car sales in the United States rose 13.95 percent in February. Sales volume continued to run counter to many expectations as it stayed on an upward trend for the month.

The industry total — domestic and imported cars — was 884,271 units, compared with 776,015 units in February last year.

Sales were spurred by widespread cash-back and low-cost financing deals for retail customers and by dealer incentives. There were 25 selling days in the month this year, one more than in February 1987 because of leap year.

Deliveries of domestic cars rose 16.54 percent to 649,059, compared with 556,953 a year earlier.

Deliveries of imported cars climbed 7.37 percent to 235,212 from 219,062 a year earlier.

The Big 3 all reported robust gains: Chrysler Motors had a 21.99 percent increase for the month; General Motors, 19.41 percent; and Ford Motor Co., 12.64 percent.

The transplants generally did not perform as well. Honda dealers delivered 0.89 percent fewer U.S.-built cars, and Nissan's deliveries of U.S.-built autos dropped 34.40 percent.

Volkswagen's sales were up 4.44 percent. Toyota's sales of cars built in this country were up 58.01 percent to 3,315 units, compared with 2,098 a year earlier.

Mazda, which began building cars here in September, sold 1,826 units for the month.

For GM, it was the best sales month since August. Claude N. Moore, vice president in charge of the GM customer sales and service staff, said the company is optimistic about the market for the spring selling season.

In the final selling period of the month — with seven selling days in both years — domestic-car sales climbed 24.10 percent.

The increases were widespread, but Nissan reported a sales decline of 44.16 percent.

GM's domestic sales rose 33.44 percent; Chrysler Motors, 18.76 percent; and Ford Motor Co., 18.75 percent.

VW had a gain of 19.21 percent for its U.S.-built cars, while Honda's sales increased 2.60 percent.

Toyota reported an increase of 34.75 percent. Mazda's retail deliveries of cars made in this country totaled 906 in the final 10-day selling period.

It was GM's best 10-day sales tally of the model year and the highest for the final February period since the record of 201,149 deliveries was set in 1972, the company said.

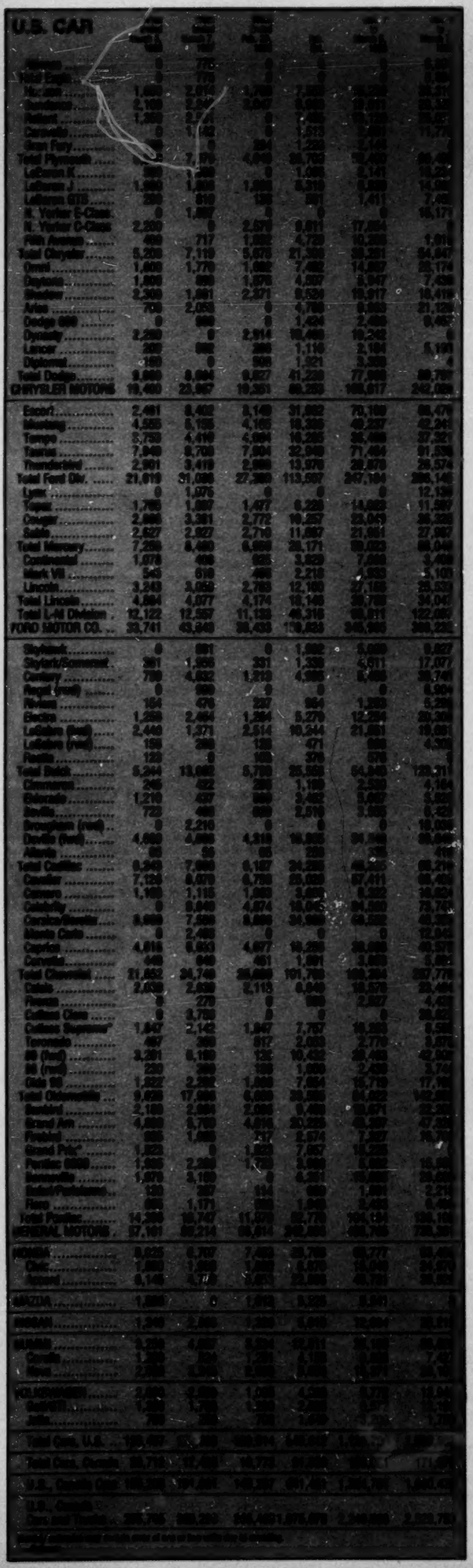
IMPORTED CAR SALES

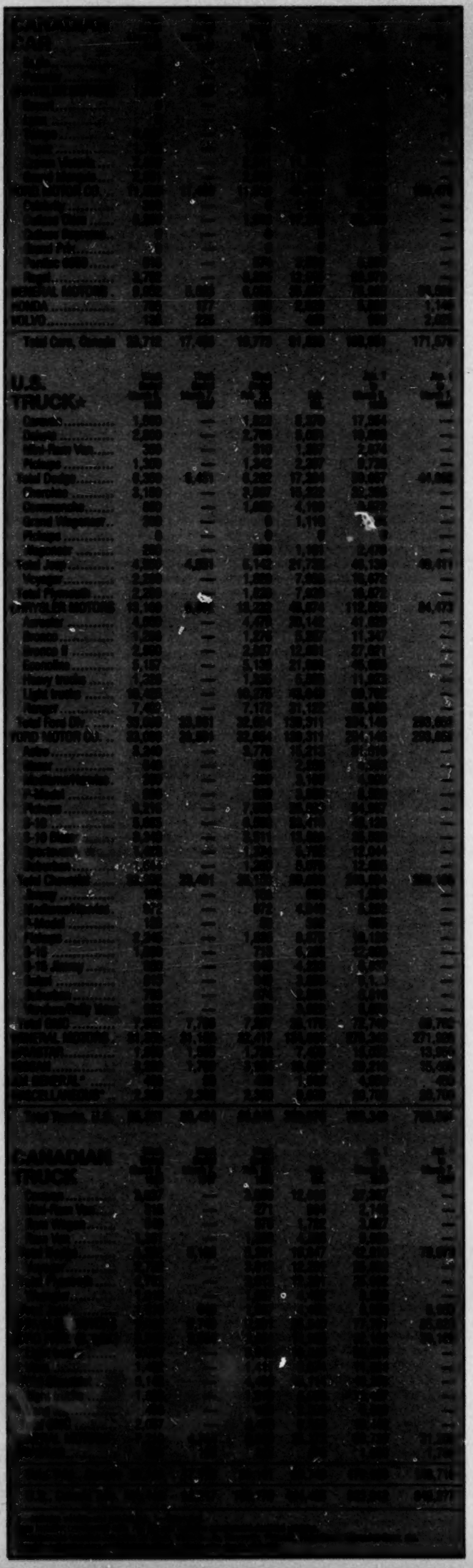
Acura				
Alfa Romeo				
Audi				
BMW				
Chevrolet				
Chrysler				
Colt				
Daihatsu				
Dodge				
Eagle				
Ford				
Hyundai				
Isuzu				
Jaguar				
Lincoln				
Maserati				
Mazda				
Mercedes				
Mercury				
Mitsubishi				
Nissan				
Oldsmobile				
Peugeot				
Plymouth				
Pontiac				
Porsche				
Saab				
Saturn				
Subaru				
Toyota				
Volvo				
VW				
Yugo				
TOTAL				

U.S. CAR SALES BY MARKETING UNITS

Alfa Romeo								
American Honda								
Audi								
Buick								
Cadillac								
Chevrolet								
Chrysler								
Daihatsu								
Dodge								
Eagle								
Ford								
Hyundai								
Isuzu								
Jaguar								
Lincoln								
Maserati								
Mazda								
Mercedes								
Mercury								
Mitsubishi								
Nissan								
Oldsmobile								
Peugeot								
Plymouth								
Pontiac								
Porsche								
Saab								
Saturn								
Subaru								
Toyota								
Volvo								
VW								
Yugo								
TOTAL	884,271	100.00	776,015	100.00	1,844,957	100.00	1,399,319	100.0
TOTAL GM	346,791	39.22	286,771	36.95	623,717	37.92	529,208	37.8
TOTAL FORD	183,732	20.78	167,517	20.39	348,581	21.25	293,197	19.1
TOTAL CHRYSLER	112,219	12.69	99,699	11.69	199,282	11.75	155,276	11.1
TOTAL JAPANESE	170,685	19.30	171,708	22.19	341,227	20.74	315,390	22.5
TOTAL EUROPEAN	48,298	5.46	50,664	6.53	92,329	5.81	90,569	6.5
TOTAL KOREAN	22,536	2.55	18,656	2.40	44,969	2.79	33,679	2.4

PRODUCTION





Year's build hits million, 3 weeks late

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built their one-millionth car of the year last Monday, almost three weeks behind 1987.

So far this year, 1,126,700 units have been assembled, 25.33 percent below the 1,508,897 completed last year at this point.

Last week's targeted auto output of 126,497 was 2.33 percent below the prior week's 129,514 and 27.13 percent below the year-ago week's 173,596.

Companies split last week's scheduled production as follows: General Motors, 45.19 percent; Ford Motor Co., 26.67 percent; Chrysler Motors, 15.34 percent; Honda of America Manufacturing Inc., 6.34 percent; New United Motor Manufacturing Inc., 2.57 percent; Volkswagen of America, 1.58 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.25 percent; and Nissan Motor Manufacturing Co. U.S.A., 1.06 percent.

Truckmakers estimated last week's production at 85,351, slightly below (0.81 percent) the previous week's 86,045 but 6.13 percent more than the year-ago week's 80,424.

Year-to-date, 753,349 trucks have been built, 7.54 percent more than the 700,561 assembled last year at this point.

GM will discontinue production of the Fiero, built in Pontiac, Mich., at the end of the model year due to sluggish sales. About 1,100 workers will be affected by the closing of the plant in addition to the 1,241 that were laid off previously.

Production resumed today at GM's Leeds, Mo., and Oklahoma City plants. Both were idle to adjust inventories.

Chrysler's Jefferson Avenue plant in Detroit resumed output today. The plant was closed for inventory adjustment.

As reported earlier, Ford's Wayne, Mich., plant is idle for model changeover to the 1988½ Escort. The plant is expected to reopen March 14.

Overtime was scheduled last Saturday at GM's Detroit-Hamtramck plant.

Ford slated overtime last Saturday at its Wixom, Mich.; Kansas City, Mo.; and St. Louis plants.

All Ford car and truck plants except the Edison, N.J., facility are scheduled for daily overtime this week.

Canadian cars post 20% gain

Canadian automakers produced an estimated 23,712 cars last week, 19.92 percent more than the prior week's 19,773 and 35.61 percent more than the year-ago week's 17,485.

So far this year, 198,051 units have been assembled, 15.43 percent more than the 171,579 completed last year at this point.

Truck output was targeted at 20,145 last week, 14 units more than the previous week's 20,131.

Year-to-date, 170,563 trucks have been built, 14.69 percent more than the 148,716 assembled last year at this time.